

■ **FOR IMMEDIATE RELEASE – February 26, 2010**

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Washington, D.C. – **U.S. Rep. Brad Miller (NC-13)**, today, submitted 25 letters from North Carolina Small Business owners to the House Financial Services Committee during a joint hearing that is focusing on the lack of credit availability for small businesses in the current economic environment.

"They've got customers, they've got a product that they can sell, but they can't get the lending to expand their operations and hire new employees," **Miller** said. "We have to get money out to the people who can really create jobs and help turn around the economy."

The Committee on Financial Services and the Committee on Small Business is holding a hearing entitled "The Condition of Small Business and Commercial Real Estate Lending in Local Markets" to examine the dramatic decrease in the volume of bank lending to small business over the past several fiscal quarters. The hearing will also focus on President Obama's recent proposal to create a \$30 billion small business loan fund that will provide capital to small banks in order for them to increase small business lending

The President of White Oak Properties in Raleigh, Roland Gammon, who has been a real estate developer for 30 years writes "local community banks are heavily dissuaded by their regulators from expanding their real estate portfolio by any measure, consequently my workmen remain idle and laid off."

Frank Wiesner, owner of Olde South Homes in Raleigh, has typically employed 25 people and built 75 to 125 homes per year in the Triangle area. In the current economic crisis, he has downsized to 5 employees and liquidated his land holdings from more than 200 buildings to a current inventory of 89 ready-to-build lots after banks strongly encouraged him to reduce inventories. He writes "I plead to you and your colleagues to encourage our lending institutions large and small to begin making credit to small businesses who are the financial backbone of our communities."

David Morton, a developer of 20 Triad-area shopping centers from Burlington, is finding it extremely difficult to renew loans on shopping centers, apartment complexes and retail space even though he has never been late with a payment. In his letter, he expresses concern that the banks are denying loans regardless of the credit strength of the borrower. "Please respond as this stranglehold is going to cause a domino effect."

Rep. Miller spent much of the recent Congressional district work period meeting with small business owners across the district to learn more about the problem first-hand, and last week he sponsored a Small Business Job Creation Roundtable with Rep. David Price that was attended by U.S. Treasury Secretary Tim Geithner. Rep. Miller intends to continue his outreach to North Carolina's small business owners, and he hopes today's submission of the letters will be the first step in making sure their voices are heard in Washington as the Committees look for solutions.

Witnesses at today's hearing include leaders in the U.S. Department of Treasury; the FDIC; the Federal Reserve; Office of the Comptroller; Small Business Administration; and bank executives. The witnesses will testify on legislative, regulatory or other impediments that are hindering the ability of banks to increase the availability of credit, and consider solutions that will allow banks to begin lending to small businesses once again.

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